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CITY OF OREM
CITY COUNCIL MEETING
56 North State Street Orem, Utah
April 26, 2016

2:00 P.M. WORK SESSION – PUBLIC SAFETY TRAINING ROOM

CONDUCTING Mayor Richard F. Brunst

ELECTED OFFICIALS Councilmembers Debby Lauret, Sam Lentz, Tom Macdonald, Mark Seastrand (excused), David Spencer (late), and Brent Sumner

APPOINTED STAFF Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Greg Stephens, City Attorney; Karl Hirst, Recreation Department Manager Richard Manning, Administrative Services Director; Bill Bell, Development Services Director; Chris Tschirki, Public Works Director; Scott Gurney, Fire Department Director; Ned Jackson, Police Department Captain; Charlene Crozier, Library Director; Sam Kelly, City Engineer; Jason Bench, Planning Division Manager; Neal Winterton, Water Division Manager; Reed Price, Maintenance Division Manager; Steven Downs, Assistant to the City Manager; Brandon Nelson, Accounting Division Manager; Manager; and Jackie Lambert, Deputy City Recorder

DISCUSSION – Open Meetings Training

Mr. Stephens said that every year there is an open meetings training, as per State law. He explained that cities exist to aid in the target of the people's business. Meetings are defined if any of the following take place:

- If there are four elected officials present
- Input is given and decisions are made
- Workshops
- Site Visits

Meetings do not include chance gatherings that occur publicly, such as at grocery stores or various private social gatherings. However, should these happen, City-related business should not be discussed. Mr. Stephens stated that all meetings are to be open, unless otherwise specified. Closed meetings were only for specific reasons listed in the State code, and have to take place after open meetings; in other words, they can't just happen on their own.

Mr. Macdonald, commenting about a Salt Lake area a council member who was no longer able to perform his duties, asked if it would be appropriate to hold a closed meeting about it. Mr. Stephens answered affirmatively.

Mr. Stephens said strategy sessions could be closed for any of the following reasons:

- Collective bargaining
- Pending or reasonably imminent legislation
- The purchase, lease, or exchange of real property
- Security issues and investigative proceedings
- Discussions related to the professional competence of a City official

Mr. Stephens explained that discussing professional competence is a tricky issue. It is very difficult, if not impossible, to exclude any particular council members from a meeting, should there be an issue with them as elected officials.

Items not on the agenda should not be discussed during meetings, unless they are raised by a member of the public during the open session. However, the Council is not able to take actions on those items at that time. Furthermore, staff appreciates having time to further investigate the matter and return to the Council with additional information.

Mayor Brunst recalled that in one situation, a council member was against a particular ordinance, and while he stepped out the rest of his council voted on the item anyway. The council member formally protested the action. Mr. Stephens said that while the rest of the council did not necessarily violate the letter of the law, they essentially violated the spirit of the law.

Mr. Stephens then said that electronic messages are not allowed to be used outside of meetings in order to deliberate upon issues on the side. He noted that all text messages, emails and other forms of electronic communications are subject to a GRAMA request. Mr. Macdonald asked for recommendations on how to store and save those communications, to which Mr. Stephens suggested that he speak with IT. Mr. Macdonald said his emails were easy to save, but he wasn't sure how to save the text messages. Mr. Bybee added that he would follow up on the matter.

Mr. Stephens explained that according to State law, electronic meetings could be held as long as one member of the Council was present at the anchor location. He outlined the noticing requirements, and stated that every year the council votes on a regular meeting schedule. Agendas need to be published with the date, time, and meeting location with at least twenty-four hours of advance notice.

According to State law, emergency meetings are to be limited, and should only take place if there is an item that requires imminent action from the Council and there isn't sufficient time for noticing to take place.

Mr. Stephens stated that all presentations should be made part of public record.

With regards to expelling a Councilmember from voting on a specific item, Mr. Stephens stated that a certain procedure must be followed. If the Council feels that another Councilmember has a conflict of interest on the matter, two thirds of the voting members need to vote in favor of expelling that Councilmember. This same procedure must be followed if the Council feels that a member of the public should be expelled for disorderly conduct. If a member of the public is expelled and refuses to leave, then they will be escorted out by a police officer. All decisions to expel someone from the meeting should be discussed openly.

1 Mr. Stephens noted that roll call votes are needed for passing ordinances, resolutions and any
2 action that creates a liability against the City. Furthermore, roll call votes may be taken any time
3 they are requested by a member of the Council.

4
5 Mr. Downs asked if digital voting constitutes as a roll call vote. Mr. Stephens said if specific
6 votes are indicated then they are considered roll call votes.

7
8 Mr. Stephens outlined three ethical violations as indicated in State law:

- 9
10 1. Improper use of information; disclosing or improperly using private, controlled, or
11 protected information acquired through one's position as a City Councilmember.

12
13 In response to remarks from Mr. Macdonald regarding the purchase and sale of land made by the
14 City of St. George near the new convention center, Mr. Stephens indicated that the
15 aforementioned violation pertains to individuals and not cities.

- 16
17 2. Improper use of position.

18
19 One such example given by Mr. Stephens pertained to a situation in which a municipal employee
20 used their position to get a discounted price on a new car. In another example, a Federal
21 employee used his personal credit card to book hotel stays at a Marriott for other employees, so
22 that he could collect points on his credit card. He then used Federal dollars to reimburse himself
23 for the expense. This Federal employee ended up with a fine of \$5,000 and had to reimburse the
24 government \$90,000.

- 25
26 3. Improper acceptance of a gift; in other words, a gift of substantial value that deviates
27 from the duties of municipal staff or elected officials.

28
29 Mr. Stephens relayed an incident that occurred in the early 1990s involving Deedee Corradini in
30 Salt Lake City. There were allegations between Bonneville Pacific and an offshore company, and
31 Bonneville Pacific was filing bankruptcy. Ms. Corradini was asked to reimburse the bankruptcy
32 trustee by millions of dollars, and she requested gifts from several people in order to meet that
33 obligation. Through this process she acquired bank loans, with terms that average people could
34 not get themselves. Nothing happened to her from an ethical standpoint, but afterwards the State
35 Legislature came up with these rules and provisions. Mr. Stephens stated that there are some
36 exceptions to these provisions, such as an occasional nonpecuniary gift having value of less than
37 \$50, an award publicly presented in recognition of public service, a bona fide loan, etc.

38
39 Mr. Stephens explained that there are certain things that are allowed by State law as long as they
40 are disclosed, but he did not recommend them. For example, while is okay for a Councilmember
41 to own a small business on the side, he would be concerned with whether or not there was a
42 conflict of interest in the Councilmember were involved with a transaction closely related to their
43 business. He stated that as a Councilmember, it is best not to participate if there is a specific
44 business interest. Consequences to the violation of this law may include criminal prosecution,
45 removal from office, and having one's contract voided.

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1 Mr. Lentz asked what the process was if they became aware of this kind of misconduct from a
2 Councilmember or staff. Mr. Stephens said a formal complaint may be made to the Recorder's
3 Office. The person making the complaint would need to state by way of an affidavit that they
4 were personally aware of the situation (not based on hearsay) and an ethics committee would
5 then convene and investigate.

6
7 Mr. Stephens then quoted similar requirements as outlined within Orem City's ordinances. He
8 explained other situations that wouldn't constitute as violations, but should be avoided anyway.
9 For example, military personnel using a Black Hawk helicopter to take friends to lunch. While
10 they might have the proper clearance to do so, it does not look good. He cautioned the Council
11 by explaining that sometimes even though an action is not specifically prohibited, it is best to
12 avoid the appearance of a conflict.

13
14 Mrs. Lauret asked about organizing an ethics commission to review violations. Mr. Stephens said
15 that at one point there was an interlocal agreement in place with Pleasant Grove, Spanish Fork,
16 Lehi, and Springville, for representatives from those cities to consider ethical violations. Mayor
17 Brunst asked if this commission was recently organized. Mr. Stephens answered that he was not
18 aware of the committee ever coming together.

19
20 Mr. Davidson noted that a law passed which provided a state ethics group and gave latitude for
21 local governments to create a local them as well. Mrs. Lauret inquired on a recent embezzlement
22 case and wondered how this matter would move forward, to which Mr. Stephens replied that the
23 case would be investigated on a criminal and ethical level.

24 DISCUSSION/UPDATE – Library Auditorium

25
26
27 Mr. Davidson stated that goals were identified for the City Center and the Center for Story, and
28 staff asked Mrs. Crozier and Mr. Joe Smith with Method Studio to provide an update on what
29 had been done to move the project forward. There were discussions on this project several years
30 ago, at which time the project costs were much lower. The project has not slipped off the radar,
31 but it is taking longer than anticipated. Currently, there are dedicated CARE monies and private
32 contributions going towards a variety of thriving programs.

33
34 Mrs. Crozier reported that the library holds between 900 and 1,000 programs a year, with around
35 62,000 total participants. The library staff, along with Mr. Smith and Nathan Robison, Outreach
36 Librarian, put together programming for both children and adults. Mrs. Crozier explained that
37 clarification is needed on the purpose which the Center for Story will serve. She noted that it will
38 be a performance facility added on to the library which will celebrate art in all of its forms, such
39 as film, dance, music, dramatic presentations, etc. For now, the facility will be called the Library
40 Auditorium in order to eliminate confusion.

41
42 Pictures were included in a PowerPoint presentation to show how accommodations have been
43 made with limited space. Mrs. Crozier explained that they have been tracking programs that
44 exceed 200 participants. Space limitations have been challenging for larger programs, and they
45 do not want to have people sitting in areas where they cannot see. Furthermore, they need to
46 keep fire areas clear. She stated that turning people away is the worst feeling, and they are
47 seeking opportunities to offer better staging and seating for both performers and audience

1 members. She turned the time over to Mr. Smith to review several items that were developed by
2 a steering committee on the matter.

3
4 Mr. Smith stated that he has been part of the process for a long time. He raised his children in
5 this community, and he wants to make sure this project moves forward. He walked through the
6 design and money-saving opportunities as follows:

- 7 • Multiple locations on the City site were reviewed, in order to identify the prime location.
- 8 • Connecting to the story wing and creating an architectural feel that is consistent
9 throughout the entire building. Mr. Smith shared the floor plans that were generated.
- 10 • The initial RFP and goals were set to create a multipurpose auditorium that could support
11 a huge variety of programs, such as performances, lectures and classrooms that can
12 accommodate up to 500 participants.
- 13 • The stage was sized to be a dance studio and classroom, with a large bifolding wall to
14 close off the stage from the audience. Other important pieces included classrooms,
15 circulation and lobby space, and break out areas for art collections to be displayed in the
16 lobby area.
- 17 • Window configurations were reviewed.
- 18 • With regards to the second floor, Mr. Smith reviewed the committee's desire to include a
19 balcony level, which would create intimacy and flexibility for program size. There will
20 be some costs involved with cantilevering out a balcony level.
- 21 • Elevations as indicated in the concept plan were reviewed.

22
23 Mr. Smith stated that the economy has changed significantly. There have been six to eight cost
24 estimates completed for the project, the most recent one having been done in the fall of 2015. At
25 that time, the current design was estimated at around \$6.2 million range. He asked for input on
26 how to bring these costs down without losing any of the design elements.

27
28 Subsequent discussion touched on the following:

- 29 • The facility is 2,300 square feet, and with a current estimate of \$260 per square foot.
- 30 • The bid for the auditorium includes auditorium seating.
- 31 • UVU's new center will cost \$325 to \$360 per square foot/
- 32 • The Salt Lake City Arts Center had cost \$560 a square foot
- 33 • The Covey Center, built in 2011, cost \$2 million for the exact same set of drawings.
- 34 • Local contractors have indicated a desire to help with the project which could potentially
35 bring down the costs significantly to a point where people might even be willing to
36 donate financially to a certain extent.
- 37 • Since improvements or changes to the City Center were being researched to address
38 seismic concern, the construction of the auditorium could take place at the same time.
- 39 • There is a real need for this project considering how crowded the library's programs have
40 become.
- 41 • The second phase, to allow a sound studio for families to use as a way to record life
42 stories, that had been previously considered isn't feasible.
- 43 • Fundraising efforts were ongoing, and they recently received a donation of \$50,000 and
44 another donation of the same amount is anticipated from another foundation. A few more
45 substantial donations would probably get them where they needed to be financially.

- A donation that was pledged by Utah County in the amount of \$300,000 has a sunset of 2018.
- Outside organizations will be required to pay to use the facility, which will help defray costs for City-sponsored activities. The City needs to first determine how to accommodate the library's 900+ annual programs.
- The City needs to be careful not to take away from local business. Mr. Davidson replied that before determining how to open this space up to outside groups,
- The construction of the City Center will be coordinated with the Library Auditorium ahead of time, which will be more cost effective.
- The City is contracting with a firm that will find the necessary space and create a master plan for the project. It was noted that costs are not getting any cheaper, and will only continue to increase.
- While there is some connectivity between the City Center and Library Auditorium, both projects do not necessarily need to be constructed at the same time.
- From a programming perspective, the Library Auditorium addresses existing needs at the library. The City Center will continue to operate for a future need.
- This has been a source of significant contention in the past. Every conversation to garner support was, "Wasn't this controversial?" As a result, people have not wanted to give to a house divided.
- One concern from the Council was that of ongoing maintenance needs.
- The Council expressed a desire to see more specifics of what will be coming out versus what will be kept, prior to granting approval to move forward.

Note: The City Council took a break until 3:41 p.m.

PRESENTATION – CARE Major Grant Applicants

At Mayor Brunst's request, the CARE Advisory Commission introduced themselves as follows: Jeff Lambson, Annette Harkness, Blake Tierney, and Christine Alleman. Mr. Downs turned time over to Adam Robertson.

SCERA

Mr. Robertson shared a video presentation of the activities taking place at the SCERA Center for the Arts, as well as the following information from the SCERA Center's most recent Annual Report:

- The number of outside participating groups was 383.
- The SCERA Center houses an art gallery and classroom programming.
- Theatrical experiences for young audiences, based on kid's books.
- The SCERA is currently producing the musical "Saturday's Warrior".
- The SCERA supports local playwrights and musical composers
- The SCERA presents local and regional favorites, including cinema classics every Tuesday night.
- Participates in new collaborations every year, including the Storytelling Festival, the Freedom Festival, Colonial Days, Cries of Freedom, and a Fireside on Sunday 3rd during which Col. Gale Halverson spoke.

- Utah Regional Ballet (URB) and the Miss Orem Pageant will take place at the SCERA Center in coming weeks.
- Continued growth and use of facility every year, with diligent efforts being made to maximize efficiency and expenses.

Subsequent discussion included:

- Besides Autistic children, were there other under-served groups that could benefit from programming.
- Weather played into use of the outdoor theater.
- The additional building which was constructed in the built in the mid-1990s met the seismic code, and the original theater was retrofitted to an extent, with steel reinforcement instead of wood.
- A great deal went into programming at the SCERA Center, which had funding sources to support programs. In recent years they has chosen to pursue CARE funds to enhance the quality of the materials and performances. CARE has also helped fund the addition of three other facilities in recent years.
- SCERA sought out contributions from companies in order to provide basic needs such as painting, internet, carpet cleaning, etc.
- The SCERA rarely turned anyone away and free tickets are distributed to a wide variety of organizations.
- Most arts organizations need subsidizing throughout the country, but with the CARE funds the SCERA Center was able to improve their programs and see increased ticket sales.
- The SCERA sold around 18,000 tickets annually, though with the majority of audience members coming from Orem and the immediate area.
- While the SCERA Center is a real asset to the community, they needed to reevaluate their marketing strategy, as well as ticket prices.

Hale Center Theater Orem

Jim Murphy from Hale Center Theater Orem (HCTO) expressed appreciation for the SCERA Center and CARE for their support of the arts. He then turned the time over to Mr. Cody Swenson for the Hale presentation.

Mr. Swenson read the HCTO's mission statement and reviewed the following:

- HCTO is strictly a performing arts theater, and has received national acknowledgment.
- They have a thriving education department and a focus on improved programming.
- Orem's arts programs have been enriched because of the HCTO and many cannot believe how low the ticket prices are for Broadway-quality shows.
- Production quality had risen dramatically because of CARE, and local celebrities have commented that HCTO was their favorite theater with which to work, with particular mention of their costuming. They now had a building just for costuming located in West Orem.
- Their projector program is so impressive that actors can stand within three feet of the screen and not block the projection.
- He highlighted the LED floor for the production *Joseph and the Technicolor Dream Coat*, as an example of LED technologies that have been used in recent shows.

- Set crews built a fog delivery system using CO2.

Mr. Swenson reviewed the many improvements that have been made to patron services, including the following:

- A website to buy tickets and register for classes
- Email newsletter
- Excellent playbills
- Growth of HCTO's education department; when they started they did not have an education program. With CARE funds, HCTO has since developed a vocal studio which has exploded. The vocal studio currently has 100 students who take weekly voice lessons. HCTO holds master classes, recitals and adjudications. This growth has required double the size of the smaller original facility.
- Expanded rehearsal space
- Year-round performing arts classes
- Kids programming for youth under the age of 18 has a five-show season; the kids are getting a professional experience in set design, directing, choreography, costuming, etc.
- Educational outreach did work with schools for tours, Reflections, Title 1 schools, etc.
- There were 406 performances in 2015, which is up from 372 in 2014.

Subsequent discussion included the following:

- A moderate increase in funding would allow them to expand educational programming, enhance production quality, and increase relationships with Orem businesses.
- In-kind contributions included relationships that have been developed with restaurants to supply food for the actors, as well as flooring that was installed at no cost by Halifax Flooring.
- HCTO receives annual contributions from about four or five main sponsors.
- HCTO currently has 288 seats, and that they are hoping to double that number to 568 in a future facility.
- Approximately 40 percent of their attendees are Orem residents

Utah Regional Ballet Company (URB)

The time was turned over to the Utah Regional Ballet Company (URB), and Board Members Mark Chen, Michelle Moon and Sean Moon, all introduced themselves.

Ms. Moon provided a history of the URB and explained how it was governed. They have performed at the SCERA Shell, Ragan Theater at UVU, and the Covery Center in Provo. About 75 percent of school performance attendees were from Orem, with students being required to pay \$5. She would like to do one free school show just for Orem students.

Mr. Chen said Orem was the anchor city, and that public partnerships are critical to their success. He noted that their revenue sources include ticket sales, fundraising efforts, miscellaneous grants, and corporate sponsorships. He then provided URB's Annual Report as follows:

- Last year, over 7,000+ attendees came to the production of the Nutcracker.
- Each year hundreds of Orem students attend performances through a grant subsidy; the cost of which is around \$11,200 per show.
- URB participated in a Choreography Design Competition, held at the Ragan Theater.

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- Participated in Families Affected by Autism. Each show cost around \$10,000 to subsidize this program.
- The Snow White production was a new show with many professional improvements.

Ms. Moon outlined the goals that they have with future CARE funding:

- Expand into elementary schools and provide completely free productions of the Nutcracker.
- They would also like to continue the free performances for high school students, and would like to add a free show for UVU students—all held at the Ragan Theater.
- They would like to increase awareness and attendance.
- They would like to add to the fairy tale ballets, by creating scenery specifically for *Twelve Dancing Princesses*.

They then shared a video presentation.

Karl Hirst provided an update on recreation.

- Current allocations
 - Splash Pad
 - Playground
 - Dog Park
- 2016 Recreation Advisory Commission Recommendations
 - Additional to splash pad\$350,000
 - Additional to playground\$100,000
 - Additional to dog park\$100,000
 - Fitness center – liner, hot tub, steam room\$400,000
 - Co-sponsored groups\$15,000
 - Total\$965,000
- CARE Project Budgets

	<u>Current</u>	<u>New</u>	<u>Totals</u>
○ Splash pad	\$500,000	\$350,000	\$850,000
○ Playground	\$150,000	\$100,000	\$250,000
○ Dog park	\$ 75,000	\$100,000	\$175,000
○ Fitness center pool		\$400,000	\$400,000
○ Co-sponsored groups		\$ 15,000	\$ 15,000

Mr. Hirst concluded by saying that if an ideal dog park location does not quickly present itself, he would recommend retaining the previously allocated \$75,000 for when a location is determined in the future and transferring the \$100,000 that is part of the 2016 recommendation to the playground.

Mr. Davidson reported that Utah County has been maintaining Canyon Park near Timpanogos Park. There have been preliminary discussions about taking over maintenance of that park to turn it into a dog park. Mr. Davidson stated that UDOT owned the property and could indicate that they have plans to use the park property to widen the road, but he said he did not anticipate that this would happen any time soon.

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Mr. Lentz inquired about the status of some tennis courts that were in need of repair. Mr. Hirst replied that he thought there was some funding available in the General Fund to meet that need.

5:00 P.M. STUDY SESSION – PUBLIC SAFETY TRAINING ROOM

CONDUCTING Mayor Richard F. Brunst

ELECTED OFFICIALS Councilmembers Debby Lauret, Sam Lentz, Tom Macdonald, David Spencer, and Brent Sumner

APPOINTED STAFF Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Greg Stephens, City Attorney; Richard Manning, Administrative Services Director; Bill Bell, Development Services Director; Lissy Sarvela, Recreation Division Manager; Chris Tschirki, Public Works Director; Scott Gurney, Fire Department Director; Gary Giles, Police Department Director; Charlene Crozier, Library Director; Steve Earl, Deputy City Attorney; Jason Bench, Planning Division Manager; Keith Larsen, Traffic Operations Engineer; Sam Kelly, City Engineer; Neal Winterton, Water Division Manager; Reed Price, Maintenance Division Manager; Steven Downs, Assistant to the City Manager; Brandon Nelson, Accounting Division Manager; and Donna Weaver, City Recorder

EXCUSED Mark Seastrand

Preview Upcoming Agenda Items
Staff presented a preview of upcoming agenda items.

Agenda Review
The City Council and staff reviewed the items on the agenda.

City Council New Business
There was no City Council new business.

The Council adjourned at 5:50 p.m. to the City Council Chambers for the regular meeting.

6:00 P.M. REGULAR SESSION – COUNCIL CHAMBERS

CONDUCTING Mayor Richard F. Brunst

ELECTED OFFICIALS Councilmembers Debby Lauret, Sam Lentz, Tom Macdonald, David Spencer, and Brent Sumner

APPOINTED STAFF Jamie Davidson, City Manager; Brenn Bybee, Assistant City Manager; Greg Stephens, City Attorney; Richard

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Manning, Administrative Services Director; Bill Bell, Development Services Director; Karl Hirst, Recreation Director; Chris Tschirki, Public Works Director; Scott Gurney, Fire Department Director; Gary Giles, Police Department Director; Charlene Crozier, Library Director; Jason Bench, Planning Division Manager; Steven Downs, Assistant to the City Manager; Pete Wolfley, Communications Specialist; and Jackie Lambert, Deputy City Recorder

EXCUSED

Mark Seastrand

INVOCATION /

INSPIRATIONAL THOUGHT

Mary Cryer

PLEDGE OF ALLEGIANCE

Owen Shumway

Mayor Brunst acknowledged the presence of Utah County Commissioner Bill Lee.

APPROVAL OF MINUTES

Mr. Sumner **moved** to approve the January 22, 2015; July 16, 2015; February 11, 2016, Joint Provo/Orem City Council meeting minutes; and the March 29, 2016, City Council meeting minutes. Mr. Lentz **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, David Spencer, Brent Sumner. The motion **passed unanimously**.

MAYOR'S REPORT/ITEMS REFERRED BY COUNCIL

Upcoming Events

The Mayor referred the Council to the upcoming events listed in the agenda packet.

Appointments to Boards and Commissions

Mr. Lentz **moved** to appoint Bart Francis to the Arts Council and to reappoint K.C. Shaw, Carol Walker, and Tai Riser to the Public Works Advisory Commission. Mr. Macdonald **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, David Spencer, Brent Sumner. The motion **passed unanimously**.

PERSONAL APPEARANCES

Time was allotted for the public to express their ideas, concerns, and comments on items not on the agenda. Those wishing to speak should have signed in prior to the meeting, and comments were limited to three minutes or less.

No one signed up to speak.

CONSENT ITEMS

There were no Consent Items.

SCHEDULED ITEMS

6:00 P.M. PUBLIC HEARING – PD-21 – University Downs Concept Plan
ORDINANCE – Amending Appendix “O” of the Orem City Code pertaining to the concept
plan applicable to Area 3 of the PD-21 zone at 1200 South Geneva Road

Mr. Bench presented Keith Hansen’s request that the City amend Appendix “O” of the Orem City Code pertaining to the concept plan applicable to Area 3 of the PD-21 zone at 1200 South Geneva Road. He explained that the PD-21 zone is divided into three areas with each owned by different entities. Area 1 is composed of Wolverine Crossing, Holiday Inn Express, Subway, and the CNG station. Area 2 is known as Parkway Lofts and is currently under construction. Area 3, the subject of this request, is owned by Nelson Brothers and is known as University Downs. The City Council initially approved the concept plan for Area 3 in August, 2015. The applicant now requests that the City Council approve certain modifications to the concept plan.

The original concept plan provides a location for a hotel, resident amenity building, parking garage, and a married or single student housing building. The new concept plan has the same uses as the original concept plan, but the location and size of buildings have changed enough that approval of a new concept plan is required.

The greatest changes that have been implemented in the new concept plan are in relation to the parking garage and the student housing building. The original concept plan showed residential units attached to the south and east sides of the parking garage. The new concept plan removes all but eight of these residential units and adds residential units to the student housing building. As a result, the proposed footprint of the parking garage has been reduced and the footprint of the student building has increased.

The new concept plan also modifies the height of the different buildings. The PD-21 text states that building heights in Area 3 were determined by what was shown on the concept plan. The original concept plan shows the parking garage at ninety-one feet, and the new concept plan increases that height to one hundred feet. The amenity building has a current height of eighty-seven feet and the new plan reduces this to seventy feet. Various parts of the student housing building are currently approved at 72/88/109 feet. These heights were changed to 70/70/110 feet in the new plan with the highest location adjacent to University Parkway. The future hotel concept has not changed and remains at 120 feet high. With the building size changes, the elevations will change as well. New building elevation plans have been submitted and will be part of the revised appendix.

Although the new concept plan shows the parking garage at a height of one hundred feet, the applicant intends to initially construct the parking garage to a height of only sixty-four feet, two inches measured at the highest parking deck, and seventy-five feet, eleven inches measured at the highest architectural feature. If and when the hotel is constructed, the applicant will add additional levels to the parking garage to accommodate hotel parking demand and will also construct meeting rooms and conference facilities on the top level of the parking garage. The highest point would then be ninety-eight feet, eleven inches above grade.

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1 With regard to density, the original concept plan included 316 apartment units with 1,040 beds.
2 The amended concept plan contains 446 units with 1,532 beds. This increases the density from
3 160 occupancy units per gross acre to 235 occupancy units per gross acre. Because the original
4 intent of the PD-21 zone was to encourage as much density as possible, the PD-21 zone does not
5 have a maximum density. In fact, unlike most zones in the City, the PD-21 zone contains a
6 minimum required density. For Area 2 and Area 3 the minimum required density is ninety
7 occupancy units per acre, while Area 1 requires 140 occupancy units per acre.

8
9 A neighborhood meeting was held by the applicant on March 18, 2016, to discuss the concept
10 plan with surrounding property owners and residents. Four residents were in attendance and were
11 “complimentary about the project.”

12
13 The Planning Commission recommends the City Council amend Appendix “O” of the Orem City
14 Code pertaining to the concept plan of Area 3 of the PD-21 zone at 1200 South Geneva Road.
15 Staff agrees with the Planning Commission’s recommendation.

16
17 Mayor Brunst stated that the new concept appears to increase the population by about 50 percent
18 and asked how that change would impact parking. Mr. Bench responded that parking has also
19 been increased in the new proposal, and the provided parking would meet the standards of the
20 parking ordinance. He also commented that there would be some surface parking, but it is
21 limited.

22
23 The applicant, Keith Hansen, responded to a question from Mr. Macdonald and explained how
24 the project would be phased. The amenities, and building and parking structure would be
25 constructed first and the student building would be constructed approximately one month
26 afterward. The hotel would be done once they secured a hotel chain.

27
28 Mr. Sumner questioned the possibility of having married and student housing in the same
29 building. Mr. Hansen explained that the two wings are labeled as such because of the type of
30 units that will be in either side. The married housing wing would contain mostly one and two
31 bedroom units and a few studio apartments, while the student housing wing would have three or
32 four bedroom units. Mr. Hansen commented that they did anticipate single student uses spilling
33 over into the married housing wing and vice versa.

34 Mr. Lentz asked if there would be a road near the married wing that would provide some street
35 parking. Mr. Hansen stated that the majority of the parking would be at the parking structure.

36
37 Mr. Hansen commented that he intends to begin construction as soon as the site plan is approved.

38
39 Mrs. Lauret inquired about the building heights in relation to the surrounding buildings, and Mr.
40 Hansen stated that the proposed buildings will be much higher than any of the surrounding
41 buildings.

42
43 Mayor Brunst asked about amenities, and Mr. Hansen reviewed them. He also clarified that if
44 there is a demand for condominiums, they would like to make them available. If there was no
45 demand, the units would be used for student housing.

1 Mr. Lentz asked about the noticing distance for this project, and Mr. Bench said they noticed
2 1,000 feet per policy. He also commented that few residents came to the neighborhood meeting
3 for this project.

4
5 Mr. Sumner asked if a new traffic study was required with this new concept, and Mr. Bench
6 responded that it has been requested but has not been received by staff. Mr. Hansen stated that
7 the study was finished earlier that week and that it would be reviewed by the Planning
8 Commission at their next meeting.

9
10 Mayor Brunst opened the public hearing. Seeing no interested parties, Mayor Brunst closed the
11 public hearing.

12
13 Mayor Brunst then **moved**, by ordinance, to amend Appendix “O” of the Orem City Code
14 pertaining to the concept plan applicable to Area 3 of the PD-21 zone at 1200 South Geneva
15 Road. Mrs. Lauret **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret,
16 Sam Lentz, Tom Macdonald, David Spencer, Brent Sumner. The motion **passed unanimously**.

17
18 RESOLUTION – Adopt the 2016 Water Master Plan and accept the Water User Rate Study
19

20 Mr. Tschirki, Public Works Director, recommended that the Orem City Council, by resolution,
21 adopt the 2016 Water Master Plan prepared by Bowen Collins & Associates, Inc. (BCA) and
22 accept the Water User Rate Study prepared by Lewis Young Robertson & Burningham, Inc.
23 (LYRB). He explained that this information would be available to the public online. Mr. Tschirki
24 turned the time over to Neal Winterton.

25
26 Mr. Winterton reviewed a history of Orem’s growth and previous needs to increase rates. He
27 then reviewed the difference between water, sewer, and storm, by way of a PowerPoint
28 presentation (included).

29
30 The City of Orem provides culinary water to over 22,000 connections. The system utilizes
31 twenty-two million gallons of storage and 354 miles of pipes, to deliver water from treated
32 surface sources, wells, and springs to a peak demand of nearly sixty million gallons per day.
33 Much of the infrastructure has met its life expectancy and beyond.

34
35 In February 2014, the City hired BCA to prepare a Water Master Plan. The request for
36 engineering services was organized into fifteen tasks. Some of the highlights included: develop a
37 hydraulic model, identify existing and future needs, develop a Capital Facilities Plan, evaluate
38 hydroelectric power, water reuse, and AMI (Advanced Metering Infrastructure), and develop
39 water rates to support the operations and capital needs of the water utility. Together with City
40 staff, the Public Works Advisory Commission, the general public, and the City Council, BCA
41 has created a Water Master Plan for consideration.

42
43 Recommended improvements identified by BCA include improvements in the water utility
44 totaling sixty-two million dollars (present value). While some projects have been identified,
45 others are yet to be determined and will be constructed as the need arises. BCA has outlined five
46 main projects to take place in the next five years:

1. Ten Million Gallon Tank: Provide Orem with sufficient storage needed for State Code and peak day operations.
2. Two inch and four inch Waterline Replacements: Upgrade aging and undersized waterlines and replace waterlines in areas where road surface improvements are planned.
3. Water Reuse: Delay future upsizing of pipes from the east to the west to service Lakeside Sports Park and the Links at Sleepy Ridge by supplying reclaimed water from the Orem Water Reclamation Facility. This will also reduce Orem's overall water supply needs and is an environmentally responsible action moving forward.
4. Two New Wells: Develop new wells to make it possible for Orem to access underground water for which it has already acquired rights for ongoing annual and daily needs.
5. Automated Metering Infrastructure: Replace aging, inaccurate meters and provide residents quick and up-to-date information about their water use. Providing this data to the residents is the best first step toward responsible water use.

LYRB was subcontracted by BCA to review the existing water rates and provide a recommended rate schedule based on changes in forecasted expenses and capital improvements and on a pay-as-you-go basis. The primary objectives of the rate analysis were to ensure sufficient revenues to cover all operation and maintenance expenses while maintaining bond covenants, ensuring the appropriate debt service coverage ratio, and providing sufficient revenue to fund the proposed projects identified in the master plan.

A review of projected revenues under the existing rate structure relative to proposed expenses illustrated that the City would not have sufficient revenues to fund the needed capital improvements without a rate increase. The results of this master plan were the basis for a rate study that was used to establish supporting water rates for the City. Originally, a five-year rate increase was proposed by City staff in conjunction with BCA and LYRB. After receiving public feedback and upon the recommendation of the City Council, a pay-as-you-go funding plan over five, seven, and ten-year periods and a bonding plan, were developed.

The rate scenarios were structured to produce a 2026 base rate of \$26.10, a summer usage rate of \$1.41/1,000 gallons, and a winter usage rate of \$0.94/1,000 gallons. Scenarios 2 and 3 fund a reduced CIP in order to allow for a more moderate annual increase in the rates and result in an overall revenue reduction of \$5,600,229 and \$10,706,169, respectively, over the same ten-year period. The result was a delay in completion of capital facility projects and an on-going liability for lack of water supply during peak demand, water outages, water quality concerns, and potential violations. Scenario 4 includes some bonding and allows for projects to be completed within the five year CIP plan but keeps rates to more moderate increases.

Following the presentation, Mayor Brunst commented that the City would encounter large and expensive issues if they did not keep up with the infrastructure now.

Mrs. Lauret stated that she had received some negative responses from residents in regards to the summer/winter rates. She asked if they had considered a tiered rate system. Mr. Winterton explained that they had examined several options, and they felt that changing to the summer/winter rate would be simplest for the residents to understand.

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1 Mr. Macdonald said some of the challenges the City is now facing stem from not following
2 recommendations like this in the past. He thanked the presenters for their efforts in putting this
3 information together. In regards to the rates, Mr. Macdonald said he believed that fairness was
4 more important than simplicity, and stated that he would also like to see a two- or three-tiered
5 rate system rather than the summer/winter rates.

6
7 Mr. Tschirki explained that they did consider a tiered rate system.

8
9 Mr. Macdonald commented that Vineyard was using about 1.5 percent of the water supply and
10 asked if they had plans to construct their own water storage facility. Mr. Tschirki stated that
11 Vineyard had bought into the twenty million gallon tank at the Wastewater Treatment Plant and
12 had plans to build a water tank in their town proper. He also confirmed that Vineyard paid for
13 their share of the water.

14
15 Mr. Macdonald asked how much treated water was being used to water the golf course. Mayor
16 Brunst stated that they use one million gallons of water in the summer, and they were currently
17 using treated water. The City would save a tremendous amount of money if the golf course used
18 reuse water. Mr. Tschirki added that reuse water could be used at a number of other locations
19 throughout the City as well.

20
21 In regards to rates, Mayor Brunst believed that those who use more water should pay more. He
22 also commented that a State law was recently passed encouraging all cities to create a tiered
23 system for utilities. He asked Mr. Winterton to look into the tiered rate system and come back
24 before the City Council with some options. Mr. Winterson stated that he could have numbers
25 ready for review by May 10, 2016.

26
27 Mayor Brunst commented that he would be the most comfortable with the seven-year plan. He
28 said he believed that bonding would be an unwise choice for the City at this time, and a five-year
29 plan was too quick.

30
31 Mr. Macdonald stated that bonding should be reserved for times when there is an immediate or
32 critical need. He agreed that a seven-year plan would be the best option.

33
34 Mr. Lentz said he liked the idea of stretching the expense out over a longer period of time to
35 better distribute the cost, and agreed that they needed to be cautious with bonding. Mrs. Lauret
36 agreed that bonding could be used if it made sense to the City's financial situation, but in this
37 instance she favored the seven-year plan.

38
39 Mr. Sumner agreed with the seven-year plan and expressed that he was not comfortable with
40 bonding at all.

41
42 Mr. Spencer said he favored the seven-year plan and commented that the Council would still be
43 able to reexamine this plan every year and adjust the rates if needed.

44
45 Mayor Brunst **moved**, by resolution, to adopt the 2016 Water Master Plan and accept the Water
46 User Rate Study and suggest the use of the seven-year rate plan. Mr. Spencer **seconded** the

1 motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, David
2 Spencer, Brent Sumner. The motion **passed unanimously**.

3
4 RESOLUTION – Authorizing the Mayor to execute the following two agreements related
5 to the Provo/Orem TRIP (Transportation Improvement Project):

- 6 • A Lease Agreement between the City and UTA; and
7 • An Interlocal Agreement between the City, UTA, UDOT, MAG and Provo
8

9 Mr. Goodrich, City Transportation Engineer, said that for the past several years, the City has
10 been working with UTA, UDOT, Utah County, Mountainland Association of Governments
11 (MAG), Provo City and others with regard to the Provo/Orem Transportation Improvement
12 Project (the “Project”). After years of discussions, negotiations and planning, the interested
13 parties are ready to move forward with the Project by formally executing two agreements that are
14 fundamental to the success of the Project.

15
16 The first agreement is a lease agreement between the City and UTA (the “Lease Agreement”).
17 The Lease Agreement authorizes UTA to use a portion of 400 West and 1200 South for its Bus
18 Rapid Transit (BRT) system. The Lease Agreement also delineates how numerous issues related
19 to the construction and operation of BRT in the City will be handled. The issues that are
20 addressed in the Lease Agreement include, among others, the baseline scope of the Project,
21 landscaping and sidewalk along University Parkway, station locations and design, BRT lane
22 configuration and design, the three quarter accesses on University Parkway (which access Chili’s
23 and Mimi’s), traffic signal priority for BRT buses, compatibility of traffic signal equipment, and
24 maintenance issues.

25
26 The second agreement is an Interlocal agreement between the City, UTA, UDOT, MAG and
27 Provo (the “Interlocal Agreement”). The purpose of this agreement is to establish an Executive
28 Committee and a Project Management Committee to make decisions and resolve issues relating
29 to the Project that are not addressed in the Lease Agreement.

30
31 The Project Management Committee will consist of staff representatives from each of the above
32 entities (and Utah County) and will meet at least weekly to resolve the day to day issues that may
33 arise with respect to the Project.

34
35 The Executive Committee will consist of executive level representatives of each of the above
36 entities (and Utah County) and will meet at least monthly to resolve issues that cannot be
37 resolved at the Project Management Committee level. The Executive Committee will also have
38 responsibility to make high-level decisions regarding the Project such as significant change
39 orders to the Project (in excess of \$200,000) and decisions concerning the disposition of
40 contingency funds (expected to be about 10 percent of the total Project budget).

41
42 The execution of the Lease Agreement by the City and the execution of an equivalent lease
43 agreement by the City of Provo are necessary for UTA to obtain funding and begin construction
44 of the Project. The execution of the Interlocal Agreement by the City is necessary to give the
45 City a voice in deciding the larger issues that will arise during the course of the Project. The City
46 Transportation Engineer therefore recommends that the City Council authorize the Mayor to
47 execute both the Lease Agreement and the Interlocal Agreement on behalf of the City.

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Janelle Robertson, with UTA, went through a PowerPoint presentation about the proposed project. She said they hoped to complete the entire project by early spring of 2019.

Mrs. Lauret asked about the anticipated ridership, and Ms. Robertson stated that they expect to have an average of 12,000 riders per day.

Mr. Macdonald asked for clarification on which roads belonged to the City and which roads belonged to the State.

Using a map from the presentation, Mr. Goodrich explained that Geneva Road and University Parkway were owned by the State. The only Orem road in this project would be 400 West between 1200 South and 1300 South.

Mayor Brunst asked a question about the other cities in Utah who were installing rapid transit. Mr. Meyer, Chief Development Officer of UTA, stated that South Davis, Bountiful, Centerville, and parts of Salt Lake City were also looking into projects like this one.

Mrs. Lauret asked if UTA had a formula that could translate bus ridership into cars on the freeway. Ms. Robertson said that there was not a specific formula, but the proposed project would increase the capacity of the roads. Mayor Brunst commented that a previous report estimated that 30 percent of road wear-and-tear would be decreased by residents using busses.

Mayor Brunst believed this project would be beneficial to the Orem and Provo communities. He commented that President Holland of Utah Valley University has committed to encouraging his students to use transit.

Mrs. Lauret **moved** that the City Council authorize the Mayor to execute the following two agreements related to the Provo/Orem Transportation Improvement Project:

- A Lease Agreement between the City and UTA; and
- An Interlocal Agreement between the City, UTA, UDOT, MAG and Provo.

Mr. Lentz **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, David Spencer, Brent Sumner. The motion **passed unanimously**.

COMMUNICATION ITEMS

The Monthly Financial Summary for March 2016 was provided to the Council.

CITY MANAGER INFORMATION ITEMS

There were no City Manager Information Items.

ADJOURNMENT

Mr. Spencer **moved** to adjourn to the meeting. Mr. Macdonald **seconded** the motion. Those voting aye: Richard F. Brunst, Debby Lauret, Sam Lentz, Tom Macdonald, David Spencer, Brent Sumner. The motion **passed unanimously**.

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- 1 The meeting adjourned at 8:06 p.m.